STATE OF SOUTH CAROLINA

BEFORE THE PUBLIC SERVICE COMMISSION

DOCKET NO. 2004-126-E

IN THE MATTER OF:		
)	
South Carolina	Electric & Gas Company -)
Proceeding to Review the Gas Supply)
Agreement Between SCE&G and SEMI)		
)	

MOTION TO COMPEL AND MOTION FOR CONTINUANCE OF HEARING

Pursuant to 26 S.C. Code Ann. Regs. 103-840, (Supp. 2003) and Rule 37 SCRCP, this party of record and Intervenor the Consumer Advocate for the State of South Carolina (the Consumer Advocate), hereby moves this Honorable Commission for an order to compel discovery and an order continuing the hearing currently scheduled for June 8, 2004 until such time as discovery disputes are resolved and adequate time for discovery has been provided. Testimony pre-filing deadlines would also need to be extended. In support of this Motion, the Consumer Advocate would show as follows:

- 1. Following the Commission's vote of April 29, 2004 granting the Consumer Advocate's motion for a separate proceeding to determine the prudency of long-term gas supply arrangements for South Carolina Electric & Gas Company's (SCE&G) Jasper County plant, the Notice of Filing and Hearing was issued on April 30, 2004, scheduling the hearing for June 8, 2004.
- 2. The Commission's motion directs the parties to "begin their discovery and discussions so that this contract proceeding can be completed as soon as possible." It further

orders SCE&G "to provide the parties, pursuant to appropriate protective agreements if necessary, all contracts and agreements that have been executed among the participants to this transaction and which deal with the supply of gas to the Jasper facility." Finally, the Commission reminded the parties that "these matters should be handled in such a manner that all parties are properly and fairly afforded time to review and examine the documents, data, and issues relevant to proceedings such as this."

- 3. On May 3, 2004, the Consumer Advocate received the Commission's scheduling letter in the above referenced docket, setting the Company's testimony due on May 11, 2004 and the parties' testimony on May 25, 2004.
- 4. On May 5, the Consumer Advocate received from the Company eight contracts. The cover letter stated that four remaining contracts and an assignment of one of those contracts would be provided to the parties and filed with the Commission once confidentiality agreements are received. On that same day, after communicating with one of the Company's attorneys, the Consumer Advocate, at 5:20 P.M., e-mailed and faxed to the Company's attorney the confidentiality agreement, including the Consumer Advocate's signature.
- 5. On May 6, 2004, at 5:00 P.M., the Company delivered to the Consumer Advocate a copy of one contract (Natural Gas Sales Agreement between BG LNG Services, LLC and SEMI dated December 19, 2003) (December 19, 2003 contract). According to the attached cover letter, while the Company filed an unredacted copy with the Commission under seal, the Consumer Advocate and the Staff received, pursuant to a confidentiality agreement, redacted copies of this contract. Due to the redaction, not a single term of the contract was disclosed which prevents any meaningful review of the Jasper plant transaction subject to this docket.
 - 6. Also on May 6, 2004, at 5:04 P.M., the Consumer Advocate's attorney Hana

Pokorna-Williamson received an e-mail from Catherine D. Taylor, SCE&G's assistant general counsel, stating that the just delivered contract was the only one for which SCE&G requested confidential treatment and that the remaining contracts "are being filed under separate cover."

These additional contracts have been delivered late Friday morning.

7. On May 6, 2004, the Consumer Advocate filed his first set of interrogatories. The

questions thus far filed do not reflect any potential issues that may arise following the initial

analysis of <u>all</u> contracts. At this point, three or more contracts are in the process of delivery and

the most crucial contract to the transaction is redacted in a manner that allows for no analysis

whatsoever. As additional discovery by the Consumer Advocate will be needed and the issue of

disclosing the contracts is pending, it becomes obvious that the discovery may not be completed

prior to May 25, 2004 when the Consumer Advocate must prefile his testimony.

8. Therefore, the Consumer Advocate respectfully requests that the Commission

issue an order compelling production of the unredacted December 19, 2003 contract and to

continue the hearing currently scheduled for June 8, 2004 until such time as the discovery

dispute is resolved, and adequate time for discovery has been provided. Testimony pre-filing

deadlines would also need to be extended.

Elliott F. Elam, Jr. Acting Consumer Advocate

Hana Pokorna-Williamson Staff Attorney

By:

S.C. Department of Consumer Affairs

3600 Forest Drive

Post Office Box 5757

May 7, 2004

CERTIFICATE OF SERVICE

This is to certify that I, Hana Pokorna-Williamson on behalf of Elliott F. Elam, Jr., Acting Consumer Advocate, have served this day the foregoing **Motion to Compel and Motion to Continue** upon the Executive Director of the Commission and the persons named below, at the addresses set forth, by deposit in the United States mail, postage prepaid and by electronic mail.

F. David Butler, Esquire S.C. Public Service Commission P.O. Drawer 11649 Columbia, SC 29211

Catherine D. Taylor, Esquire SCANA Corporation Legal Department Columbia, SC 29218

Francis P. Mood, Esquire Haynsworth Sinkler Boyd, P.A. P.O. Box 11889 Columbia, SC 29211-1889

May 7, 2004 Columbia, South Carolina